

REMARKS

Office action summary

Claims 40-41, 43-53, 55-65, 67, and 71 are pending in the present application. Claims 40, 52, 64-65, 67, and 71 are presently amended. Claims 73-78 are presently added. No claims are presently canceled. The following rejections were made in the office action of August 24, 2010 (“Office Action”):

- Claims 40-41, 43-53, 55-65, 67, and 71 were rejected under 35 USC § 101 as being directed to non-statutory subject matter.
- Claims 40-41, 43-53, 55-65, 67, and 71 were rejected under 35 USC § 112, ¶ 1, as failing to comply with the written description requirement.
- Claims 64-65, 67, and 71 were rejected under 35 USC § 112, ¶ 2, as being indefinite for failing to particularly point out and distinctly claim the subject matter which is regarded as the invention.
- Claims 40-41, 48-53, 60-65, 67, and 71 were rejected under 35 USC § 103(a) as being unpatentable over Wiser, US Patent 7,263,497 (“Wiser”), in view of Hamada, US Patent 6,792,007 (“Hamada”).
- Claims 43 and 55 were rejected under 35 USC § 103(a) as being unpatentable over Wiser in view of Hamada, and further in view of Williams, “MP3 All in One,” Newsbytes, July 23, 1999 (“Williams”).
- Claims 44 and 56 were rejected under 35 USC § 103(a) as being unpatentable over Wiser in view of Hamada and Williams, and further in view of Wolff, US Patent 6,247,047 (“Wolff”).
- Claims 45-46 and claims 57-58 were deemed allowable if (1) rewritten in dependent form including all the limitations of their base claims and any intervening claims, and (2) the rejections under 35 USC §§ 101 and 112 were overcome.

The amendments and rejections discussed below. The examiner is respectfully urged to reconsider the application and withdraw the rejections. Should the examiner have any questions

or concerns that might be efficiently resolved by way of a telephonic interview, the examiner is invited to call applicants' undersigned attorney, Jon M. Isaacson, at 206-332-1102.

Telephonic interview

On October 20, 2010, applicants' undersigned attorney and Examiner Allen conducted a telephonic interview. Applicants' undersigned attorney would like to thank the examiner for granting the interview. During the interview, applicants' arguments and proposed amendments were discussed. The examiner agreed that the rejections of claims 52-53, 55-65, 67, and 71 under 35 USC § 101 would be withdrawn and the rejections of claims 64-65, 67, and 71 under 35 USC § 112, ¶ 2, would be withdrawn. The examiner also agreed to reconsider the other rejections following the filing of a formal response. Any further substance of the interview is incorporated into the remarks below.

Rejections under 35 USC § 101

Claim 40 stands rejected under 35 USC § 101 as being directed to non-statutory subject matter. More particularly, the examiner found that the method of claim 40 is not a process within the meaning of 35 USC § 101 because (1) it does not satisfy the "machine-or-transformation" test, and (2) there is no clear indication on the record that the claim is not directed to an abstract idea. Office Action, pages 5-6. The Supreme Court has made clear that the machine-or-transformation test is not the sole test for determining whether a claim to a method is a process within the meaning of 35 USC § 101. *Bilski v. Kappos*, 95 USPQ2d 1001, 1006-07 (U.S. 2010). Rather, "the machine-or-transformation test is a useful and important clue, an investigative tool, for determining whether some claimed inventions are processes under §101." *Id.*, at 1007. In addition, the Supreme Court reaffirmed that there are "three specific exceptions to § 101's broad patent-eligibility principles: 'laws of nature, physical phenomena, and abstract ideas.'" *Id.*, at 1005-06 (citing *Diamond v. Chakrabarty*, 206 USPQ 193, 197 (U.S. 1980)).

Preliminarily, applicants respectfully submit the examiner's statement of the standard for determining whether a method claim is directed to patent-eligible subject matters is in error. The

examiner states that the standard for determining whether a method claim is directed to patent-eligible subject matters is: a method is likely patent-eligible if it meets the machine-or-transformation test unless there is a clear indication that the method is directed to an abstract idea, and a method is likely not patent eligible if it does not meet the machine-or-transformation test unless there is a clear indication that it is not directed to an abstract idea. Office Action, page 5. The Supreme Court indicated that the machine or transformation test is a tool for determining patent eligibility, but is not the sole test. *Bilski*, 95 USPQ at 1007. The examiner's standard essentially requires that a method claim pass the machine-or-transformation test unless there is a clear indication that the method is not directed to an abstract idea. This standard is inconsistent with the Supreme Court's decision in *Bilski*, and therefore the examiner's standard is in error.

Applicants submit that claim 40 is not directed to an abstract idea. Claim 40 is directed to a method which comprises "responsive to [a] consumer request, transmitting the music selection to an intermediate storage medium at a consumer site," "receiving an indication that at least a portion of the music selection has been recorded on...a permanent storage medium located at the consumer site," and "responsive to receiving said indication, automatically charging the consumer for the music selection." These recitations, individually and collectively, are not directed to abstract ideas. For example, transmitting a music selection to a particular storage medium at a consumer site is not an abstract idea; this recitation requires transmitting of a specific thing to a specific location. Similarly, receiving a particular indication regarding the recording of a particular music selection and automatically charging a particular customer in response to receiving that indication are not abstract ideas. Thus, the individual recitations of claim 40, and claim 40 taken as a whole, are not directed to an abstract idea. Accordingly, applicants submit that claim 40 is directed to statutory subject matter and request withdrawal of the rejection of claim 40 under 35 USC § 101.

Claims 41 and 43-51 stand rejected under 35 USC § 101 as being directed to non-statutory subject matter. Claims 41 and 43-51 depend, directly or indirectly, from claim 40. For at least the reasons that claim 40 is directed to statutory subject, claims 41 and 43-51 are also

directed to statutory subject matter. Accordingly, applicants request withdrawal of the rejection of claims 41 and 43-51 under 35 USC § 101.

Claims 52-53 and 55-63 stand rejected under 35 USC § 101 as being directed to non-statutory subject matter. More specifically, the examiner found that the broadest reasonable interpretation of a “computer readable medium” in claims 52-53 and 55-63 included both statutory media and non-statutory media. Office Action, page 6. Without conceding the propriety of the rejection, in an effort to advance prosecution of the present application, applicants presently amend claim 52 to recite a “computer readable storage medium.” In the Office Action, the examiner found that the specification describes “various media such as permanent and intermediate *storage media* (e.g. hard disk, cd, etc.), as well as transmission media (e.g. satellite transmission media).” *Id.* (emphasis added). In light of the examiner’s findings, applicants submit that the broadest reasonable interpretation of the term “storage medium” is limited statutory media. Accordingly, applicants submit that claims 52-53 and 55-63 are directed to statutory subject matter and request that the rejection of claims 52-53 and 55-62 under 35 USC § 101.

Claim 64 stands rejected under 35 USC § 101 as being directed to non-statutory subject matter. More specifically, the examiner found that claim 64 is drawn to “specific program structure and not necessarily to any structure,” and concluded that claim 64 was directed to software per se. Applicants traverse the examiner’s finding that claim 64 is directed to software per se. As presently amended, claim 64 is directed to an apparatus which comprises “means for transmitting the music selection, responsive to said consumer request, to an intermediate storage medium at a consumer site.” The recited means for transmitting cannot reasonably be interpreted as software per se. Even if pure software included instructions to transmit a music selection to an intermediate storage medium at a consumer site, the software itself (i.e., the instructions alone) could not possibly transmit the music selection to the intermediate storage medium. Thus, even if the recited means for transmitting includes software instructions to transmit the music selection to the intermediate storage medium, the means for transmitting must include some non-software component which is capable of actually transmitting the music selection to the intermediate storage medium. For at least these reasons, applicants submit that

claim 64 is not directed to software per se, and applicants request withdrawal of the rejection of claim 64 under 35 USC § 101.

Claims 65, 67, and 71 stand rejected under 35 USC § 101 as being directed to non-statutory subject matter for being directed to software per se. Claims 65, 67, and 71 depend from claim 64. For at least the reasons that claim 64 is not directed to software per se, applicants submit that claims 65, 67, and 71 are also not directed to software per se. Accordingly, applicants request withdrawal of the rejection of claims 65, 67, and 71 under 35 USC § 101.

Rejections under 35 USC § 112, ¶ 1

Claim 40 stands rejected under 35 USC § 112, ¶ 1, as failing to comply with the written description requirement. Claim 40 recites “receiving an indication that at least a portion of the music selection has been recorded from the intermediate storage medium to a permanent storage medium located at the consumer site.” In the Office Action, the examiner found that “there is no express support for the...reception of an indication” and there is no support for an indication which indicates that a music selection has been recorded “from [a] storage medium to a permanent storage medium.” Office Action, page 8. For examination purposes, this recitation of claim 40 was “interpreted as ‘receiving an indication that at least a portion of the music selection has been stored in intermediate storage and subsequently stored in permanent storage’ (i.e. not necessarily transferred from [sic] intermediate to permanent storage).” *Id.*, at page 9.

Applicants respectfully traverse the findings that the specification does not support “receiving an indication that at least a portion of the music selection has been recorded from the intermediate storage medium to a permanent storage medium located at the consumer site,” as recited by claim 40. As noted by the examiner in the Office Action, applicants’ specification describes:

In certain embodiments, the customer leaves the channel of his DBS (or cable) receiver on the designated “music channel” until the requested recording is downloaded to intermediate storage in storage module 130. When the download is completed, the customer user interface flashes a cue such as “YOU’VE GOT TUNES”, following which the customer may permanently record

the music, with automatic billing that appears on the customer's consolidated monthly statement.

Specification, page 26, lines 9-17. Regarding the receiving of an indication, one of ordinary skill in the art would understand from this portion of the specification that if automatic billing of a customer's account happens in response to the customer permanently recording music, then some indication of the permanent recording of the music must be received in order to bill the customer's account. Thus, at least this portion of the specification provides support for the receiving of an indication.

Regarding the music item being recorded from an intermediate storage medium to a permanent storage medium, the above-cited portion of the specification explicitly describes that "[w]hen the download [of music to intermediate storage] is completed,...the customer may permanently record the music." *Id.* at page 26, lines 12-15. Based on the way in which claim 40 was interpreted for purposes of examination, the examiner appears to concede that this portion of the specification provides support for a music selection item to be recorded on an intermediate storage medium and subsequently recorded on a permanent storage medium. Office Action, page 9. Furthermore, in another portion not acknowledged in the Office Action, the specification describes that when a user station is "provided with [an intermediate] storage module 130 having a substantial data storage capacity, it is possible for many *recordings to be immediately available to the customer for permanent recording.*" *Id.*, at page 28, lines 15-18 (emphasis added). Because the specification describes that music can be downloaded to an intermediate storage medium and subsequently recorded on a permanent storage medium, and that the music in the intermediate storage medium is available to the customer for permanent recording, one of ordinary skill in the art would understand that the specification describes that the music can be recorded, directly or indirectly, from the intermediate storage medium to the permanent storage medium. Thus, applicants submit that the specification provides support for the recording of music from an intermediate storage medium to a permanent storage medium.

For at least the foregoing reasons, applicants submit that the specification supports "receiving an indication that at least a portion of the music selection has been recorded from the intermediate storage medium to a permanent storage medium located at the consumer site," as

recited by claim 40. Thus, claim 40 complies with the written description requirement.

Accordingly, applicants request withdrawal of the rejection of claim 40 under 35 USC § 112, ¶ 1.

Claims 52 and 64 stand rejected under 35 USC § 112, ¶ 1, as failing to comply with the written description requirement. Although different in scope from claim 40, claims 52 and 64 contain recitations similar to those recitations of claim 40 discussed above. For at least the reasons that claim 40 complies with the written description requirement, applicants submit that claims 52 and 64 comply with the written description requirement. Accordingly, applicants request withdrawal of the rejection of claims 52 and 64 under 35 USC § 112, ¶ 1.

Claims 41, 43-51, 53, 55-63, 65, 67, and 71 stand rejected under 35 USC § 112, ¶ 1, as failing to comply with the written description requirement. Claims 41, 43-51, 53, 55-63, 65, 67, and 71 depend, directly or indirectly from claims 40, 52, and 64. Inasmuch as claims 40, 52, and 64 comply with the written description requirement, applicants submit that claims 41, 43-51, 53, 55-63, 65, 67, and 71 comply with the written description requirement. Accordingly, applicants request withdrawal of the rejection of claims 41, 43-51, 53, 55-63, 65, 67, and 71 under 35 USC § 112, ¶ 1.

Rejections under 35 USC § 112, ¶ 2

Claims 64-65, 67, and 71 stand rejected under 35 USC § 112, ¶ 2, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. More specifically, the examiner found that these claims recited a number of mechanisms, each with a recited function, and that the claims did not describe the structure corresponding to the recited function. Office Action, page 10. The examiner further found that “what may or may not comprise the recited mechanisms and what is required by the claim is unclear” and that “the various recited elements fail to provide any structure and merely recite functionally descriptive material and abstract ideas.” *Id.*

Without conceding the propriety of the rejections or the examiner’s findings, applicants presently amend claims 64-65, 67, and 71. As amended, claim 64 recites “means for transmitting,” “means for receiving,” and “means for automatically charging” where the claim previously recited a number of mechanisms. Similar amendments are made to claims 65, 67, and

71. Inasmuch as claims 64-65, 67, and 71 recite “means for” language, applicants submit that the claims invoke 35 USC § 112, ¶ 6, which indicates that such claims “shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.” Thus, applicants submit that the scope of the recitations in claims 64-65, 67, and 71 is clear. Accordingly, applicants request withdrawal of the rejection of claims 64-65, 67, and 71 under 35 USC § 112, ¶ 2.

Rejections under 35 USC § 103(a)

Claim 40 stands rejected under 35 USC § 103(a) as being unpatentable over Wisner in view of Hamada. Applicants respectfully traverse the rejection of claim 40. For the reasons that follow, applicants respectfully submit that the examiner has not established a *prima facie* case of obviousness because the cited references fail to render obvious the recitations of claim 40 and because the reasoning for combining the cited references is insufficient to support a *prima facie* case of obviousness.

First, the cited references fail to render obvious the recitations of claim 40. Claim 40 recites “receiving an indication that at least a portion of the music selection has been recorded from the intermediate storage medium to a permanent storage medium located at the consumer site.” Regarding the Wisner reference, the examiner indicates that Wisner teaches that charging for media is done prior to the storage of media in permanent storage media. Office Action, at page 12. The examiner recognizes that “Wisner does not expressly teach where the charging is *in response to [receiving] an indication that at least a portion of the media has been stored in a permanent storage medium at the consumer site* (i.e. charging takes place after the media is permanently stored).” *Id.* (emphasis in original). To cure this deficiency in Wisner, the examiner cites to Hamada as teaching “where the charging is *in response to [receiving] an indication that at least a portion of the media has been stored in a permanent storage medium at the consumer site* [see at least: col. 6 lines 36-52, col. 7 lines 55-67, Fig. 14 #s206-208].” *Id.* (emphasis in original). In a portion cited by the examiner, Hamada teaches:

When the cursor is set to the lyrics display button 22 in this state and the enter key is pressed (hereinafter, the operation of setting the cursor to the button and pressing the enter key is referred to as

"pressing the button"), the lyrics of the piece of music are displayed in the text display area 21C at a timing synchronized with the audio data. In a similar manner, when the profile display button 23 or the information display button 24 is pressed, the profile of the artist, concert information, etc., corresponding to the piece of music, are displayed in the text display area 21C. In a manner as described above, it is possible for the viewer-listener to be informed of what kind of *piece of music is being streamed currently* and to be informed of the detailed information of each piece of music.

When the viewer-listener wishes to purchase the piece of music the viewer-listener has test-listened, the viewer-listener presses the download button 28. When the download button 28 is pressed, the audio data of the selected piece of *music is downloaded and stored in the storage device* 13. Together with the audio data of the piece of music, the lyrics data thereof, the profile information of the artist, the still-image data of the jacket, etc., can also be downloaded. Each time a piece of music is downloaded, the information is stored in the IC card within the IRD 12. The information stored in the IC card is stored by the account server 5, for example, once a month. This makes it possible to protect the copyright of the pieces of music to be downloaded.

Hamada, col. 7, lines 41-67 (emphases added). As describes in Hamada, a listener can test a piece of music by listening to the music as it is streamed to the listener. After that, Hamada describes that the user can download the music and store it in a storage device, and the user is billed for the download. However, Hamada fails to teach or suggest that the music "has been recorded from [an] intermediate storage medium [at a consumer site] to a permanent storage medium located at the consumer site," as recited by claim 40. Further, as recognized by the examiner, Wiser does not teach or suggest this recitation of claim 40. Thus, Wiser in view of Hamada fail to render obvious "receiving an indication that at least a portion of the music selection has been recorded from the intermediate storage medium to a permanent storage medium located at the consumer site," as recited by claim 40.

Second, the reasoning for combining the cited references is insufficient to support a *prima facie* case of obviousness of claim 40. "The key to supporting any rejection under 35 USC § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious." MPEP § 2142 (citing *KSR International Co. v. Teleflex Inc.*, 82 USPQ2d 1385, 1396 (U.S.

2007)). Further “rejections on obviousness cannot be sustained with mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *In re Kahn*, 78 U.S.P.Q.2d 1329, 1336 (Fed. Cir. 2006). In the Office Action, the examiner recognizes that Wiser teaches that a user is charged for media prior to the user being able to download the media. Office Action, page 12. Later, the examiner reasons that one of ordinary skill in the art would have combined the teachings of Hamada with the teachings of Wiser because “the invention of Hamada would improve the invention of Wiser by providing a system and method which are more capable of ensuring the protection of data with respect to illicit transfer of specific data.” *Id.* Essentially, the examiner is arguing that, even though Wiser had a system in place for deterring illicit transfer of data by charging a user prior to download, one of ordinary skill in the art would have used the method taught by Wiser instead because Wiser’s method is “more capable of ensuring the protection of data with respect to illicit transfers.” Applicants traverse the examiner’s unsupported conclusions that Wiser system would better protect against illicit transfers or that one of ordinary skill in the art would have used Wiser’s methods in Hamada’s system even though Hamada already had a method for protecting against illicit transfers. These conclusory statements are not supported by factual findings or the rational underpinning required to support a *prima facie* case of obviousness. Thus, the examiner’s unsupported conclusory statements are insufficient to establish a *prima facie* case of obviousness.

For at least the foregoing reasons, applicants submit that the cited references fail to render obvious the recitations of claim 40 and the reasoning for combining the cited references is insufficient to support a *prima facie* case of obviousness. Thus, the examiner has not established a *prima facie* case of obviousness of claim 40. Accordingly, applicants request withdrawal of the rejection of claim 40 under 35 USC § 103(a).

Claims 52 and 64 stand rejected under 35 USC § 103(a) as being unpatentable over Wiser in view of Hamada. Although different in scope from claim 40, claims 52 and 64 contain recitations which are similar to those recitations of claim 40 discussed above. For at least the reasons discussed above with respect to claim 40, applicants submit that Wiser and Hamada fail to render obvious claims 52 and 64 and that a *prima facie* case of obviousness of claims 52 and

64 has not been established. Accordingly, applicants respectfully request withdrawal of the rejections of claims 52 and 64 under 35 USC § 103(a).

Claims 40-41, 48-53, 60-65, 67, and 71 were rejected under 35 USC § 103(a) as being unpatentable over Wiser in view of Hamada. **Claims 43 and 55** were rejected under 35 USC § 103(a) as being unpatentable over Wiser in view of Hamada, and further in view of Williams. **Claims 44 and 56** were rejected under 35 USC § 103(a) as being unpatentable over Wiser in view of Hamada and Williams, and further in view of Wolff. Claims 40-41, 43-44, 48-53, 55-56, 60-65, 67, and 71 depend from claims 40, 52, and 64. Applicants submit that Williams and Wolff fail to cure the deficiencies of Wiser in view of Hamada to render obvious claims 40, 52, and 64, and the examiner has not cited to Williams and Wolff for this purpose. Thus, for at least the reasons that the cited art fails to render obvious claims 40, 52, and 64, applicants submit that claims the cited art fails to render obvious claims 40-41, 43-44, 48-53, 55-56, 60-65, 67, and 71. Accordingly, applicants request withdrawal of the rejections of claims 40-41, 43-44, 48-53, 55-56, 60-65, 67, and 71 under 35 USC § 103(a).

New claims

Applicants presently add new claims 73-79. Claims 73-79 depend, directly or indirectly, from claims 40, 52, and 64. For at least the reasons that claims 40, 52, and 64 are in condition for allowance, applicants submit that claims 73-79 are also in condition for allowance.

Conclusion

Applicants believe that the present remarks are responsive to each of the points raised by the examiner in the Office Action, and submit that claims 40-41, 43-53, 55-65, 67, 71, and 73-79 of the application are in condition for allowance. Favorable consideration and passage to issue of the application at the examiner's earliest convenience is earnestly solicited.

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